

<https://www.wealthmanagement.com/technology/securitize-acquires-onramp-invest>



OnRamp Investing unveiled digital billboards in Times Square in conjunction with CoinDesk's Bitcoin for Advisors conference.

TECHNOLOGY

Securitize Acquires Onramp Invest

The acquisition will allow RIAs to offer their clients alternative asset classes including private equity, private credit, secondaries, real estate and more through the Onramp Invest dashboard.

Rob Burgess | Aug 18, 2023

Securitize, which offers tokenized alternative assets, announced it acquired San Diego-based Onramp Invest, a cryptocurrency portfolio aggregation platform for financial advisors.

Onramp Invest is expected to operate as a subsidiary of Securitize, according to the announcement. The transaction is anticipated to close in the next several days; terms of the deal were not disclosed.

The acquisition will allow RIAs to offer their clients alternative asset classes including private equity, private credit, secondaries, real estate and more through the Onramp Invest dashboard, according to the company.

Onramp Invest's platform serves RIAs representing over \$40 billion in cumulative AUM.

The two firms had already established a partnership in March through which RIAs could access private equity feeder funds through KKR and Hamilton Lane. And last month, Securitize began issuing tokenized securities in Europe.

Securitize's shares are recorded on blockchains including Ethereum, Avalanche, Polygon and Algorand.

Wally Okby, strategic advisor for wealth management for Datos Insights (formerly the Aite-Novarica Group), said with this acquisition, Securitize will find itself in a greater position to capitalize on what appears to be a long-term growth cycle for alternatives.

Okby said RIAs are increasingly keen to have greater shares of their client assets invested in higher margin, stickier, alternative products. Large-scale broker/dealers have largely already established their alternative investment marketplace partnerships. Now, alternative investment marketplaces, like Securitize, are intensifying their distribution focus toward RIAs and hybrid advisors, "a massive, largely untapped and fragmented market."

William Trout, director of wealth management for Javelin Strategy and Research, said the industry is in the midst of a second phase of a "digital asset revolution." The focus, he said, is not on cryptocurrency as an investment but on the underlying infrastructure. Specifically, the role of tokenization in enabling access to white-shoe investments such as private equity and private credit.

Trout said this is also another example of the ongoing convergence between alternative investments and digital assets. He said the line between these asset classes is blurring in tandem with greater liquidity and the accelerating democratization of the market.

Tyrone Ross was the co-founder and served as CEO of Onramp Invest until March 2022 when he departed the company. Ross's tenure at Onramp lasted 19 months, and saw the startup raise \$7 million in funding and form partnerships with firms that included Advyzon, Riskalyze and Ritholtz Wealth Management, which is also an investor in the firm.

The following month, Caitlin Cook, head of community and vice president of operations at Onramp Academy, and Nyle Bayer, chief marketing officer at Onramp, also departed the company. Also in June 2022, Ross founded 401 Financial, a registered investment advisor, and Turnqey Labs, an API suite for cryptocurrency asset data.

When contacted Friday by *WealthManagement.com*, Ross declined to comment on the announcement.

Securitize, which launched in 2017, has raised a total of just over \$100 million in venture capital, according to Crunchbase; its most recent round was a Series B of \$48 million in June of 2021, led by Blockchain Capital and Morgan Stanley Tactical Value. Also joining the Series B were Ava Labs, IDC Ventures, Migration Capital, NTT Data and Sumitomo Mitsui Trust Bank.

Another important milestone for the firm was its 2019 acquisition of transfer agent Pacific Stock Transfer, which today makes Securitize the only SEC registered digital transfer agent operating on the blockchain.